

SECRET
(When Filled In)

Approved For Release 2000/05/05 : CIA-RDP71B00697R001800120001-6

25X1A

PRECONTRACT APPROVAL
RECORD
(PART ONE)

CONTRACT NO.

AMENDMENT NO.

IDEA-0276-69

Copy 1 of 3

-5311

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2

28 March 1969

THIS CONTRACT APPROVAL RECORD CONTAINS A RECOMMENDATION SUBMITTED FOR CONCURRENCE OF THE UNDERSIGNED. CONCURRENCE IN THIS PRECONTRACT APPROVAL RECORD IS RECOMMENDED BY THE CONTRACTING OFFICER. BY CONCURRENCE, THE CHIEF, BUDGET AND FINANCE BRANCH, SIGNIFIES THAT SUFFICIENT FUNDS ARE AVAILABLE (NOT INCLUDING CONTINGENT & EXPOSURE) AND/OR HAVE BEEN ADJUSTED AS PROVIDED IN THIS DOCUMENT.

TYPE OF CONTRACT

☐ L.I.

☐ F.P. REDETERM

☐ CPIF

☒ TECH REP

☐ DEFINITIZED

☐ FPIP

☐ T&M

☐ FISCAL YEAR

☐ F.P.

☐ CPFF

☐ CALL TYPE

FINANCIAL DATA

CO

PREVIOUS OBLIGATION - PRIOR FY

PREVIOUS OBLIGATION - CURRENT FY

\$ -0-

OBLIGATION BY THIS DOCUMENT

DESCRIPTION, PROGRAM OR LINE ITEM

FISCAL YEAR

PROJECT

AMOUNT

Airborne Electronics -

Tech Rep

1969

IDEALIST

Field Service Supp. Maint. Techn

TOTAL THIS OBLIGATION

CONTINGENT UPON AVAILABILITY
OF FUNDS

EXPOSURE LIABILITY

RATE

DATE

RATE

DATE

CPFF O/H RATES FIXED THRU

PRICING FORMULA FIXED THRU

T&M RATES FIXED THRU

TECH REP RATES FIXED THRU

PROVAL

ORDATION

DATE

4/4/69

DATE

4/14/69

PRECONTRACT CONCURRENCES

UNIT

DATE

CONTRACTING OFFICER

4/14/69

BUDGET & FINANCE

4 APR 1969

GENERAL COUNSEL

30 Apr 69

TECHNICAL REPRESENTATIVE

D/M

15 Apr 69

TECHNICAL REPRESENTATIVE

CMD
BFD

17 APR 69

CONTRACT SIGNATURE (Contracting Officer)

DATE

DATE MAILED

DATE DISTRIBUTED

18 Apr.

18 APR 1969

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 PRECONTRACT APPROVAL RECORD
 (PART TWO)

CONTRACT

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The services and equipment being procured by this Contract No. 5311 are in furtherance of the IDEALIST Program(s), the nature of which cannot be publicly disclosed for security reasons. The Contracting Officer therefore determines that this procurement must be accomplished by negotiations pursuant to the authority of Section 3(a) of PL 81-110 and Class Determination and Finding, OXC 2122, signed by the DDCI on 15 October 1961.

Certification of funds for this contract will be handled under the procedure approved by the Director of Central Intelligence on 15 December 1956 which, in effect, results in all covert expenses involving issuance of Treasury Checks being accumulated in a separate account within the Finance Division. The amounts in this account will be periodically scheduled for certification of the vouchers by the Director. This procedure eliminates the necessity for a separate certification of authority under Section 8(b) of Public Law 110, 81st Congress (formerly 10(b) - see 85-507 dated 7/7/58) for each contract.

The following comments describe the procurement hereby effected, the terms and provisions generally of this contract/amendment, and a resume of major issues negotiated:

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This action is to increase contract funding based on monthly FY-69 experienced expenditure rate and to incorporate second half FY-69 rates. The proposed rates attached include an G&A rate which was negotiated down to . The Contractor's negotiator, met with the negotiator on 26 March to settle the rates. The auditor disallowed interest charge costs which represents of the aforementioned difference in the G&A rate. argued quite strongly that ASPR does not disallow these costs on FP contracts such as he would interpret our service contracts to be. The negotiator allowed that precedence has established this as an unauthorized cost more than anything else and that if he wanted to break precedence, we would have to reconsider the profit rate. The profit precedence for service contracts has been .


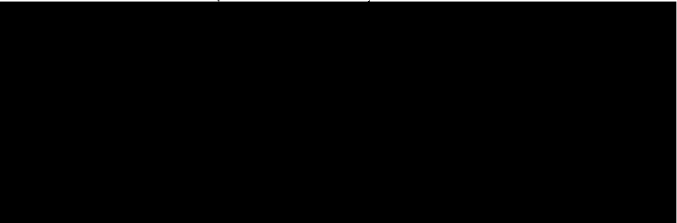
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MEMORANDUM FOR: FOD/OSA
CMD/OSA
D/M/OSA

SUBJECT: Program Funding Allocation

Funds are allocated on the Status of Funds report,
Adjusted Program Column, in accordance with the following:

	A. Project	<u>IDEALIST</u>
	B. Activity	<u>MAINT TFCHS</u>
25X1A	C. Vendor	
	D. Line Item	<u> </u>
	E. Contract Number	<u>— 3201H SA5311</u>
25X1A	F. Present Funding	
	G. Increase	<u> </u>
	H. Decrease	<u> </u>
	I. New Total	<u> </u>
	J. Effective Date	<u>28 FEB 69</u>

JAM
S

6.



IN REPLY REFER TO

Approved For Release 2000/05/05 : CIA-RDP71B00697R001800120001-6
DEFENSE CONTRACT AUDIT AGENCY

CAMERON STATION
ALEXANDRIA, VIRGINIA 22314

OSA-0915-69
BO-69-15-184

REPLY TO:

[REDACTED]
P.O. Box #9363
Rosslyn Station
Arlington, Virginia 22209

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March 27, 1969

25X1A SUBJECT: Report on Evaluation of T&M Rates

[REDACTED]

25X1A Contract No. [REDACTED]-5311

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TO : Contracting Officer [REDACTED]

REF : March 13, 1969 Proposal No. W-H-040A

1. Purpose of Evaluation. As requested, an evaluation was performed of the referenced T&M proposal for field engineering services to assist in the installation, ground operation, maintenance and repair of ECM equipment. The detailed costs and pertinent books and records were examined to determine the reasonableness of the proposed field service monthly/daily labor rates. The proposal contemplates firm fixed price rates for the six month period beginning January 1, 1969.

2. Results of Evaluation. The results of the evaluation follow:

a. Direct Labor. Exhibit A attached lists a detailed schedule of the auditor's recommended monthly/daily labor rates together with a comparison of the contractor's proposed rates.

b. Other Direct Charges. The contractor proposes reimbursement of other direct charges such as transportation and travel at

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actual cost plus [REDACTED] G&A. Per diem @ \$20 per day was proposed for domestic and overseas locations on temporary assignments and at \$10 per day at overseas locations on permanent assignments, plus [REDACTED]

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G&A. The auditor recommends acceptance of this procedure except that the

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G&A rate should be [REDACTED] The [REDACTED] difference in the G&A rate is calculated as follows:

Interest expenses unallowable in
accordance with ASPR Section XV
Computational error
Total G&A rate reduction

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3. Concluding Remark. Additional audit services will be furnished upon request.

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[REDACTED]
DCAA Representative - APL

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Proposal No. W-H-040A

Contract No. [REDACTED]-5311

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Exhibit A

Explanatory Notes.

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1. The proposed monthly/daily labor rates submitted by the contractor include the base hourly rate increased by special assignment pay of [REDACTED] as applicable, plus factors of:

Field Engineering Overhead
G&A
Profit



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The rates recommended by the auditor include the same factors as those proposed except for G&A which is applied at [REDACTED] rather than [REDACTED]. Refer to paragraph 2 for an explanation of the G&A rate difference. The [REDACTED] profit rate is consistent with the current T&M contract for off-site support. However, a final determination of the profit rate is referred to the Contracting Officer.